



## AFGE Wins Policy Reversal *From OPM on Leave for Reservists*

The American Federation of Government Employees (AFGE) won a major Court of Appeals case forcing a policy reversal by the Office of Personnel Management (OPM) on the charging of leave for National Guard training for federal employees.

The reversal makes thousands of current and former federal employees eligible for annual leave adjustments or other compensation. AFGE sent a letter to OPM offering assistance in developing and implementing a claims process to expedite compensation.

Under federal law, federal employees who are reservist are allowed 15 days of military leave each year to be charged only for reserve training conducted on scheduled work days. Prior to the OPM policy reversal, announced in a memo dated Oct. 13, 2004, OPM improperly instructed agencies to incorrectly deduct military leave from employees even if reserve training occurred on a scheduled day off. As a result of the former policy,

***“AFGE won a major victory for all federal employees/reservists in the Butterbaugh case.”***

employees quickly depleted their military leave and were forced to use annual leave or leave without pay in order to fulfill their National Guard training responsibilities.

“There are thousands of potential claimants in this case,” said **Joe Goldberg**, AFGE’s assistant general counsel. “AFGE won a major victory for all federal employees/reservists in the Butterbaugh case. AFGE is working to ensure that every federal employee, current or former, who unjustly lost leave or pay as a result of OPM’s incorrect interpretation of the law is rightfully compensated. OPM has admitted its mistake, and we will hold every federal agency to its legal responsibility.”

The OPM policy change is in direct response to the Court of Appeals for the Federal Circuit decision in *Butterbaugh v. Department of Justice*. AFGE initially filed a class action suit with the Merit Systems Protection Board to secure compensation for all employees unjustly charged leave under the old OPM policy.

The board denied the request for a class action suit, both initially and on appeal, and ruled that AFGE should instead move forward with claims on an individual basis. Following an unfavorable board decision, AFGE moved forward in the U.S. Court of Appeals with claims for four Department of Justice employees. On July 24, 2003, the Court ruled against the former OPM military leave policy.

AFGE is now moving forward to secure compensation for the thousands of federal employees who were adversely impacted by the old OPM policy. AFGE sent a letter to OPM proposing a coordinated effort to develop the fastest and most efficient method of identifying claimants and processing compensation claims.

## Happy Holidays from AFGE

By John Gage

During this holiday season, let us reflect on all of the good we’ve accomplished in the federal and D.C. governments over the past 12 months for millions of Americans.

Let us also pray for the AFGE members, as well as family and friends, who are serving in Afghanistan, Iraq and elsewhere to win the War on Terrorism. Let us continue to keep our loved ones in our thoughts during this very special time of year, as well as continue to remember those who are no longer with us.

The New Year promises many new challenges and opportunities for AFGE. I hope you will share my resolution for the coming year to make AFGE an even stronger and more productive union.

Best wishes to you and those you love for a happy holiday season and a peaceful New Year.

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### Coming Soon! Bonus Bucks 2005 Information

Campaign Dates:  
January 24 – April 22, 2005

Check Your Mailbox or the  
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## A Message from National President John Gage

John Gage

Now that one of the most competitive and closely scrutinized presidential races in American history is over, American life will hopefully return to some semblance of normalcy. On Election Day, Americans voted to re-elect President **George W. Bush**, siding against AFGE's supported candidate, Senator **John F. Kerry**. While AFGE nationally supported Kerry, our members worked for both Republican and Democratic candidates who supported the federal workforce.

From AFGE's perspective, little has changed. AFGE will continue to fight for more than 600,000 federal and D.C. government workers, but this would have been the case had Kerry won. AFGE will continue to fight for the rights of government employees to be able to speak out against the wrongs that they come to witness, including in the Departments of Defense and Homeland Security, which are in the process of developing new personnel systems that may weaken whistleblower protections.

AFGE will continue to fight for a fair

# The 2004 Election

process by which jobs are competed for contracting out, striving to retain intellectual capital and workers with years of experience and institutional knowledge within the public sector. And, AFGE will challenge President Bush with the idea that his second term does not have to mirror his first—calling on President Bush to honor the principles of representative government.

For the first time in our history as a union, AFGE mounted a mobilization effort that focused nearly all of our resources into a single direction—a single goal. We're proud of the thousands of AFGE bargaining unit members who signed "I'll Be There" cards and volunteered to help in this important campaign—not to mention the hundreds of union members in our Districts, Councils and Locals who walked, wrote letters and made phone calls to carry forth our message of hope.

We're proud of the National Executive Council, the field and headquarters staff who

spent weeks at a time on the road, working with other labor and community activists to educate and mobilize working people in every part of this nation. We're proud of those who offered their services in phone banking, creating and mailing letters and flyers and supporting all our efforts in different, but important ways. Their tireless contribution to our effort will not soon be forgotten.

We were not alone in the battle for the White House, and we are not alone now. Organized labor and its allies will pull together and learn all we can from this experience. We will not only be smarter for the battles ahead, we will be stronger.

As **Martin Luther King Jr.** said, "The arc of history is long, but it bends toward justice." I believe this to be true, so I hope that as we take some much needed time to rest and reflect, that we also prepare ourselves to return to the battle for this nation's soul, more firmly committed to success than we ever have been.

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## DoD Action Week Highlights

### Include 'Lunch and Learns,' Rallies

Dozens of AFGE union locals took part in DoD Action Week Oct.11-15.

The central focus of the week was to educate Department of Defense employees about concerns with the National Security Personnel System, local representatives said.

The activities for the week included "lunch and learns," rallies, distributions of information packets and special meetings.

The new system, developed by DoD under the National Security Personnel Act, dramatically altered the civil service system and protections granted under the Civil Service Reform Act.

The Defense Conference (DEFCON) Leadership organized the five-day effort in response to a request from AFGE National President **John Gage**.

Members of DEFCON's Rapid Response Team and district and national office staff provided support whenever possible. In several instances, AFGE locals held joint events and meetings. Moreover, in a number of locations, non-DOD locals joined in and participated in Action Week in order to help out.

Several of the locals faced excessive restrictions from agency officials in their attempts to share an alternative view of NSPS. The locals, however, worked around these restrictions to get out their message.

Many of the locals plan additional educational efforts as a way to provide an alternate view on the NSPS different from the one provided by the Defense Department.

Additional information is available at [www.afgedefcon.org](http://www.afgedefcon.org).

# Veterans' Access to Health Care

## *Threatened by Budget Crisis, AFGE Says*

The Department of Veterans Affairs (VA) in 2005 will again face a budgetary crisis that will hurt veterans' access to benefits and medical care, according to AFGE officials.

Many VA facilities and offices will start the year with funding shortfalls and hiring freezes. At the same time, more disabled, ill and elderly veterans are turning to the VA for their medical care.

Veterans' lack of access to health care is a symptom of a larger government failure to commit adequate staff and financial resources to provide care for the men and women who have served the nation.

The government's lack of commitment to fund the VA fully, combined with rising costs for care and the increased demand for medical services from veterans, will continue to drive the VA to deny and ration veterans' access to care, to erode VA's capacity to provide mental health and long

term services and to place more veterans on waiting lists for services, officials believe.

"If the gap between demand for VA provided services and funds committed to care for veterans continues to widen, then the high standards for quality of care provided to veterans at the VA will be threatened," said National Council of VA Locals President **Alma Lee**.

The provision of mental health services and long-term care for vulnerable veteran populations will be an issue in 2005 as the Congress and the VA consider how to proceed with implementation of the Capital Asset for Realignment for Enhanced Services (CARES) programs.

CARES is a planning process set out by the VA. Under this program, the VA will close some facilities while building others as part of its plans to meet forecasted medical needs of veterans through 2022. AFGE's concern is that the VA has placed

scant emphasis in the CARES process on "enhancing services" for veterans.

The VA's in-house capacity to provide veterans with needed long-term care and treatment for mental illnesses will likely be eroded further if the VA does not properly staff and re-open beds in psychiatric, substance abuse treatment and nursing home care units.

In 2005, those supporting privatization of veterans' care and opposing any government-provided health care may try to exploit the challenges the VA faces in providing care for veterans with inadequate staffing and funding and attempt to make the VA an insurance company rather than a medical provider.

If the Veterans Benefits Administration does not increase staff, existing claims backlogs will grow as returning soldiers from Operation Iraqi Freedom and Operation Enduring Freedom submit about 1,700 new disability claims each month.

## 'High Deductible' Provisions in FEHBP

### *May Be Lump of Coal in Employees' Holiday Stockings*

Open season for the Federal Employees Health Benefits Program (FEHBP) ends Dec. 13, 2005.

This year the Bush Administration introduced a new type of plan into the FEHBP under the slogan of "empowering" federal employees to make more decisions about their health care. Federal employees, however, need to take the time to understand the financial risks facing those who sign up for these "high deductible" plans.

The "high deductible" plans require enrollees to establish health savings accounts or "health reimbursement" accounts which work a lot like Individual Retirement Accounts—except that withdrawals from the accounts have to be for "qualified" health care expenditures.

The plans work as follows: The employee and the employer each pay a share of the premium. When a federal employee enrolls in a high deductible health insurance plan, a health savings account is established in his or her name. The insurance company deposits money into the health savings account, and this money belongs to the

enrollee, tax-free, as long as it is used for qualified health care expenditures. The enrollee can add to the account with his or her own tax-free contributions up to the amount of the plan's deductible.

The deductibles in the FEHBP's "high deductible" plans range from \$1,050 to \$5,000 for self-only coverage and from \$2,100 to \$10,000 for family coverage. No insurance coverage kicks in until the enrollee has paid the entire deductible.

Except for plans that will pay for some types of preventive care prior to an enrollee's having spent the entire deductible, the enrollee has to pay the full cost of all medical services up to the deductible amount. For example, an enrollee in a high deductible plan with a \$5,000 deductible who gets sick and needs hospitalization would have to cover the first \$5,000 with money in the health savings account. Enrollees who do not have \$5,000 in their health savings account would still be liable for the full amount.

Some plans give enrollees the same discounts the insurance company has negotiated while others do not.

The up side is any money remaining in a health savings account at the end of any year can be kept in the account. In addition, enrollees can invest the money in a health savings account, and the interest or capital gain realized is also tax-free. However, this part is only true for active employees. Retirees who open "health reimbursement" accounts do not receive the same tax treatment.

While the health savings accounts might be a good deal for some employees, these accounts could be a problem for federal employees unable to come up with the cash to pay the full cost of the deductibles. In addition, if federal employees jump in and out of high deductibles, trying to time surgery and other expensive procedures for a year when they chose traditional insurance, rates will rise disproportionately for those in the traditional plans.

Moreover, if those with the lowest health risk move into "high deductible" plans and leave those with relatively greater risk in the traditional plans, costs will rise both for those in the traditional plans and for the FEHBP system as a whole.



## Headquarters Spotlight: Communications Department

**Enid Doggett** believes that government workers are often portrayed unfairly in the media, and her goal is to change that. "I think too often that we've gotten the perception of government as too big, meaning too many employees," said Doggett, who has been AFGE's director of communications since Aug. 11, 2003. "I have a lot of federal employees in my family and friends who are dedicated and see serving the public as their mission. Their contributions and their hard work are often ignored."

Prior to coming to AFGE, Doggett worked at Ketchum, a global public relations firm, where she was vice president of public affairs. In other public relations jobs, she worked with the International Association of Fire Fighters and lobbied against NAFTA. She also worked as a journalist at WTOP-AM radio and AP Broadcast Center.

**Adele M. Stan** is a communications specialist with a background in writing and editing. A former journalist and editor, Stan's work has appeared in the *New Republic*, *The Village Voice* and other publications as well as on the op-ed pages of *The New York Times* and the *Los Angeles Times*. She began her media career at *Ms.* magazine, where she served as a contributing editor for more than a decade. Stan joined AFGE in September 2001 as a temporary employee



The staff of the Communications Department includes (front row, left to right) Kim Kennedy, Enid Doggett, and Adele Stan. Back row: Rodrigo Munera, Kurt Gallagher, and Emily Ryan.

a week after the terrorist attacks on the United States. "I realized that I had landed here at a pivotal time in our nation's history—a moment whose outcome would depend on the efforts and well-being of the federal workforce."

**Kurt Gallagher**, also a communications specialist, joined AFGE in November 2002 as a Website developer. He handled the computer programming for the benefits pages and created new features enabling online grassroots activism, including electronic tools for people to submit testimony, for reporting grassroots activities, and for online petitions. He was promoted to communications specialist in March 2004 and since then has organized regional media outreach and

obtained coverage for events at Davis Monthan AFB and other locations.

**Emily Ryan**, the third communications specialist and newest addition to the Communications Department, came to AFGE from B'nai B'rith International, where she served for two years as editor of its 17 regional membership newsletters. Prior to the editor's position, she was the group's deputy director of media, serving as the principal media contact and working with local regional and district leaders.

**Rodrigo Munera**, Website administrator for the Communications Department, got his start in web development as a marketing assistant for a small federal credit union in the D.C. area. As the Communications Department's Website developer, a position he has held since Jan. 5, 2004, Munera primarily is responsible for providing technical support and for developing new solutions for two sites, [www.afge.org](http://www.afge.org) and [www.unionblog.com](http://www.unionblog.com).

**Kim Kennedy** began working for AFGE in 1984 in the Service Department and has been secretary to the communications director since 2000. She handles clerical and administrative duties, including researching and distributing daily news clips found on the Internet about AFGE to the headquarters staff and field staff. She also helps develop media lists and arranges for media equipment when needed.

## Bureau of Prisons Examining Election's Impact on Membership

The Bureau of Prisons is evaluating the impact of the elections on its membership and developing strategies to move its agenda forward, said Council of Prison Locals President **Phil Glover**.

"This agenda includes fully funding the prison system, decreasing inmate assaults on staff, and keeping a viable prison industries program," Glover said.

The BoP also is continuing its efforts to negotiate a new master agreement, an effort which has been under way for 30 months. "Management has come at the union with 'takebacks' from the first agreement," he said. "Things like seniority rights, health and safety and non-uniformed dress codes are issues which we are continuing to fight for."

Glover said "huge changes" in consolidation of departments continue, and "we will have to work with management to provide the least possible disruption to bargaining unit employees."

## Save the Date!

### 2005 Legislative Conference

Hyatt Regency, Capitol Hill, Washington, DC  
February 6-10, 2005

The 2005 AFGE Legislative and Grassroots Mobilization Conference will be held Feb. 6-10 at the Hyatt Regency on Capitol Hill.

Call 1-800-2331234 for reservations or go to [www.washingtonregency.hyatt.com](http://www.washingtonregency.hyatt.com) to make your hotel reservation on line. Be sure to ask for the AFGE group rate. For more information on the legislative conference, go to [www.legislativeconference2005.org](http://www.legislativeconference2005.org).